

FIRST QUARTER 2006 Update

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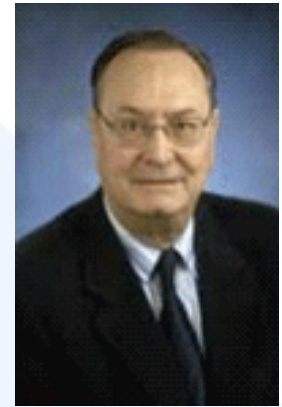
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It is hard to believe but the first quarter of 2006 is already history. We live in a very fast paced world. Silicon Valley constantly admonishes us to keep moving ... " if you stand still, you are falling behind" the saying goes. I can assure you that all of us at Louis Allen Worldwide are not standing still, that we are continuously improving our products, sharpening our skills, and increasing our reach.

This quarter, we have been particularly blessed by the presence of a young MSc student who is spending four months with us as an intern. His name is Bertrand Hamon. He hails from France via the University of Michigan and HEC, where he is completing his Msc studies. His enthusiasm and joie de vivre (see I do know a few expressions in French) have been contagious. Bertrand is not here merely to observe what we do, how we do it, and possibly why we even do it; he is here to contribute his talents,

energy, and fresh ideas. He will be completing his degree program after he leaves us in June and in September he will be joining the very reputable consulting firm **IDRH**, our strategic partners in Paris, France. We are all grateful for the opportunity to know and work with Bertrand, and we know that he has what it takes to succeed in this highly competitive and turbulent world. Bertrand is a winner both as a person and as a professional.

On other fronts, we have just completed version 6.0 of the flagship-training product Profession of Management (more is said inside of this newsletter). We assisted Pablo Riera and his great team **Grupo P&A** in Spain with the market introduction of our business relationship and the great product Extraordinary Leader we are privileged to distribute on behalf of our strategic partner Zenger/Folkman Company. We have reached agreement with a new partner in



Tony Tasca, Chairman of Louis Allen Worldwide

Turkey (more will be said about this new partner in the next issue).

Finally, we provided services to fourteen clients in different parts of the world. We have a demanding plan in front of us, and a great team ready to execute it. Our new website (www.louisallenworldwide.com) should be fully operational by the time this newsletter reaches your desktop. We welcome your comments and suggestions. I Hope you find the contents of this newsletter useful.



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PROJECT ACTIVITY:

Our clients are the lifeblood of our company. We exist to serve them and to add value to what they do. We are proud of our extraordinary client retention rate (over 90%), since we began tracking it in 1991. Yet, we do not rest on our laurels, we continually fine-tune our methodologies and products. During the second quarter we will unveil an on-line customer satisfaction survey approach we are work-

ing on to capture more systematically client input regarding our three lines of business: assessment, development programs, and organization effectiveness consulting. The table that follows summarizes our US client activity (including support to our Middle East partially-owned subsidiary) during the first quarter 2006 and it illustrates our cross industry focus.

CLIENTS	ASSESSMENT	DEVELOPMENT	CONSULTING	INDUSTRY
Adecco			✓	Services
Amgen		✓		Biotechnology
Ang Newspapers		✓		Media
Bio-Rad	✓			Bio-medical
Building Industry – OC		✓		Home building
Citizens Bank		✓		Banking
CPS, Inc	✓		✓	Real Estate
Countrywide		✓		Finance
County of Riverside		✓		Government
Dubai Police Department	✓	✓		Government
FastLink		✓		Telecom
Genentech, Inc.			✓	Biotechnology
Helpmates			✓	Services
Homebuilders Performance Research	✓			Home building
Joy Manufacturing			✓	Mining
Greenbriar	✓		✓	Home building
Mlsr American Carpet Company	✓			Manufacturing
MTC Vodafone – Bahrain	✓	✓		Telecom
MTC Vodafone – Group			✓	Telecom
Warmington			✓	Home building
Wyoming State Parks & Cultural Resource	✓			Government



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PROFESSION OF MANAGEMENT VERSION 6.0: “NEW AND MUCH IMPROVED”

In shaping and sharpening our new business focus (which emphasizes products and processes that give our clients better results), we took our core management development product, the Profession of Management (POM), and created a more practical version.

This 6.0 version of POM still stresses the fundamental methodology and models of management science established by Louis Allen almost fifty years ago (plus the improvements we made to the **Organizing** component two years ago to bring the framework up-to-date with respect to modern job and organization design). In our view, this version is more practical and less theoretical with a stronger focus on the business accountability charter and business/organization acumen.

This new version, as is, is best used for in-house presentation.

We will develop later a public offering version as well.

The delivery mode is also different. Rather than a four-day training program, this POM is designed as a development process that involves both in-class and on-the-job requirements. During three days of classroom management concepts and the initial drafting of the business accountability charter, cross-functional business learning teams are formed to work together and support each other for the duration of the process. After the first three days, the participants have 30 days to get their business accountability charters approved in their respective organizations.

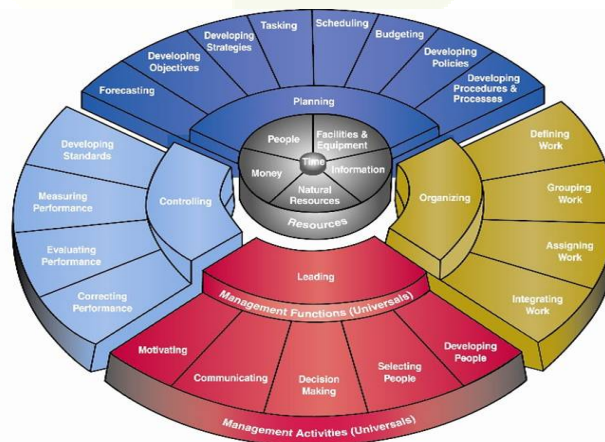
The fourth classroom day finishes the concepts of **Controlling** plus requiring each business learning team to give a status report of their business accountability char-

ter approval experience. The participants are then given another 60 days to implement their business accountability charter working with their fellow business learning Team members to insure that all charters are successfully implemented.

The fifth and final classroom day is devoted to a progress/performance review of the implementations of the charters. Best practices are explored. The post Profession of Management Audit (PMA) is assessed and the participants create an on-going professional development plan.

The total result is stronger business/organization performance, better understanding of the entire operation of the business/organization, and a solid grounding in management systems thinking.

The Allen Management Wheel



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INTRODUCING THE EXTRAORDINARY PERFORMER

Most development programs focus on management leadership. However, most people in an organization are individual contributors. Identifying, developing, and retaining the best performers is not only an investment in the future but an important element to staying competitive. Furthermore, effective succession and management continuity planning depend on the timely identifica-

tion of high potential people.

Research has shown that the top 10% of individual contributors are responsible for five times the productivity of the average producer and a 30% increase in customer satisfaction.

Using the insights and tools of the Extraordinary Leader, our strategic partner Zenger/Folkman has introduced a new product de-

signed to help individual performers construct a well-thought through personal road-map for their development.

Extraordinary Performer is a natural follow-up product to Extraordinary Leader. Together they are a powerful combination for improved organizational performance and key staff retention.

Partner Spotlight

We Salute PABLO RIERA AND GRUPO P&A



Pablo Riera,
Chief Executive Officer
of Grupo P y A

Last October, we entered in a strategic partnership with Grupo P&A, a Spanish consulting firm headquartered in Vigo with offices in Madrid, La

Coruña, Valencia, and in Porto, Portugal to work with us in the Iberian Peninsula. Pablo Riera is the Chief Executive Officer.

Pablo and his firm have painstakingly prepared the product and relationship launch since October. This involved orienting their

staff, translating an on-line instrument and the associated training materials, and packaging all these materials professionally. In addition, they selected the proper venues, sent invitations, and arranged the logistics.

In February, presentations were held by invitation in Madrid, Vigo and La Coruña. Over 180 companies attended the two-hour presentation by Pablo Riera and Tony Tasca. The initial reaction has been gratifying and encouraging. Much work remains to be done in terms of follow-up and on-site visits to turn the high level interest into engagements.

The hard work, preparation,

attention to detail, and masterful coordination will surely pay off. We salute Pablo and his team for an outstanding performance. We have great confidence in him and his great team.



Tony Tasca giving a presentation

More information on Grupo P y A at www.grupo-pya.com



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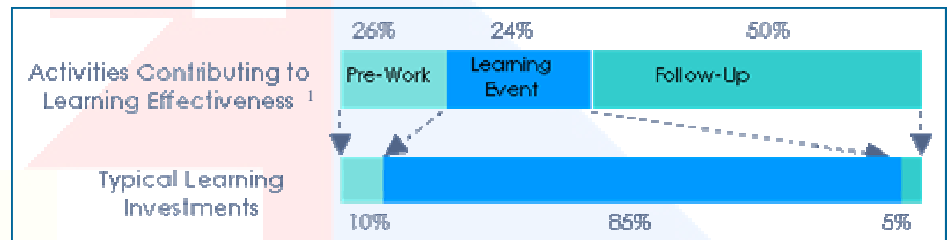
FOLLOW-UP IS KEY TO SUCCESSFUL TRAINING

Louis Allen Worldwide subscribe to a four-step process to management development. These four steps are designed to ensure that our programs are value added to the individual participants and their sponsoring organizations. The steps are:



Of the four steps, follow-up has been the most problematic. Research has shown that to follow-up accounts for 50% of the successful development process (See Graph 1).

Development programs trigger action plans designed to address development gaps or needs. Clients do not have an



Graph 1

easy and cost effective way to track the individual or composite group implementation. As a result, it is difficult to measure the degree to which classroom training connects with performance improvement.

Zenger/Folkman, our strategic partner, has come up with a cost effective solution to the follow up challenge. With this new product, ActionPlan Mapper™, we can make a big difference in meeting clients' need to improve transference of training concepts, skills, and tools learned in a classroom setting.

ActionPlan Mapper is a hosted follow-up tool accessible 24x7 with just a web browser and internet connection.

No software to download, install, or maintain.

With it we can drive any action planning and reporting process such as training implementations, performance management, and project tracking and communication. For more information about the mechanics of the product or about its QuickStart price, please contact Tony Tasca at www.louisallenworldwide.com.

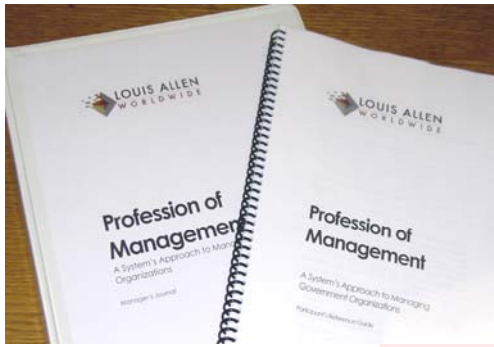


¹ Dr. Brent Peterson, CEO of Apollo Consulting Group



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UPCOMING CERTIFICATION DATES



The brand new 6.0 version of the "Profession of Management" material.

Please take note that we have tentatively scheduled the next certification session for *Profession of Management* (version 6.0) and *Extraordinary Leader* from Sunday June 18, 2006 through Sunday June 25, 2006 in Foster City, California.

Individual partners can request certification sessions in their

home country if more convenient or more cost effective by contacting Ray Burch

Louis Allen Worldwide certifies program leaders for a period not to exceed 3 years. Recertification is required after 3 years.

For more information please contact Ray Burch at: rburch@louisallenworldwide.com

2006 ANNUAL MEETING

We have tentatively selected Istanbul, Turkey as the location for our annual worldwide meeting. The dates are Monday October 2 through October 6, 2006.

In 2005 we met in Foster City, California (USA) and in 2004 we met in Dubai, United Arab Emirates. This year we have selected Istanbul for three primary reasons:

We have a new strategic partner in Turkey

and we want to recognize and introduce the new partner to the worldwide network.

Istanbul is ideally situated, distance-wise, from Europe, the rest of the Middle East and Africa.

Istanbul is a beautiful city, strategically located as a bridge between Europe and Asia Minor overlooking the Bosphorus, the Sea of Marmora and the Black Sea.

The meeting will be structured in four segments: (a) presentations from the participating partners, (b) new product updates, (c) strategic initiatives, and (d) opportunities for socialization.

More details will follow as we fine tune the program, address the logistics, and respond to suggestions from those planning to join us in Istanbul.

We have a new strategic partner in Turkey and we want to recognize and introduce the new partner to the worldwide network.



Istanbul, Turkey



THE INSIDER'S VIEW: SURVEY CAPTURES ORGANIZATION CULTURE



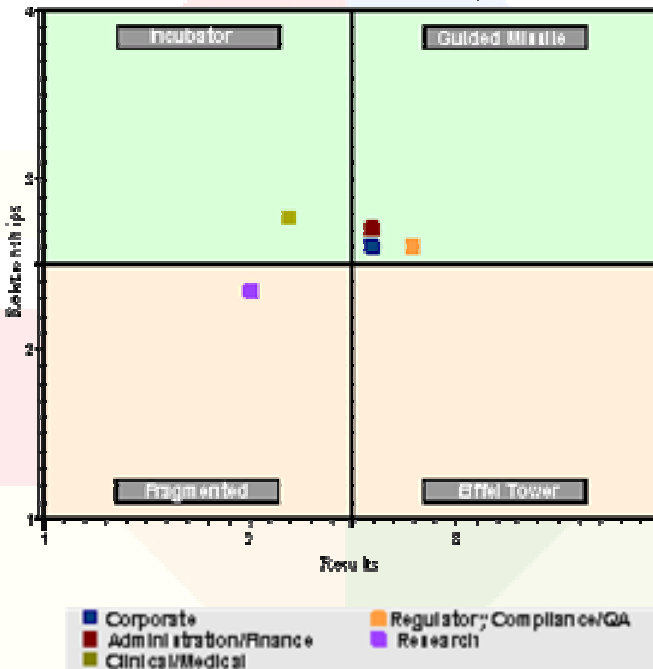
Sheryl Axline,
Director of Organization
Research and Assessment

Organization culture can be an elusive concept. "I know it when I see it" is a common approach to describing culture. We have developed a more precise way of diagnosing

what type of culture currently exists in an organization. Our definition of culture is a community that is built with shared interests and cooperation.

The Louis Allen Worldwide Culture Survey uses two important measures – "Results Orientation" and "Relationships Orientation" – to pinpoint how people view their organization's culture. The 68 item survey further breaks down "Results" and "Relationships" into eight themes such as "strategic focus", "performance", "cohesiveness" and

"trustworthiness".



used to compare / contrast two completely different organizations, useful for applications such as merger and acquisition situations.

Recently, JP Miller of the Louis Allen Worldwide Foster City office used the Culture Survey with a client in the US commercial real estate industry to diagnose the gap between the culture desired by management and the culture as perceived by employees. In another recent engagement, Ahmed

Gelil of Skopos Middle East used the Culture Survey with an Egyptian-based carpet company as a baseline assessment of the culture prior to a series of major organizational change initiatives.

The survey establishes a baseline measure of the overall culture and compares how various functions view the organization's culture. Similarly, the survey may be

SUPPORT LINE

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